

Statistics Weekly

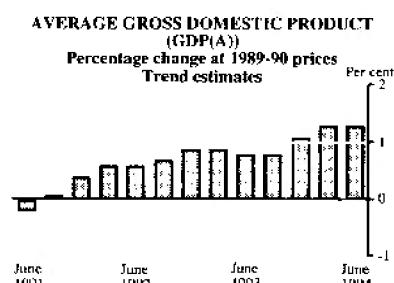
Thursday, 8 September 1994

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Statistics

Strong economic growth maintained in June quarter



The trend estimate of GDP(A), the average of the three independent measures of gross domestic product, rose 1.3 per cent in the June quarter 1994.

The increase in GDP(A) is attributable to rises in the trend estimates of all three components, with the income-based measure GDP(I) rising 1.1 per cent, the expenditure-based measure GDP(E) growing 1.3 per cent and the production-based measure GDP(P) up 1.5 per cent (see below for details).

Trend GDP(A) has now recorded growth of more than 1.0 per cent in each of the last three quarters, and is 4.6 per cent above its level in the June quarter 1993.

The seasonally adjusted constant price estimate for GDP(A) recorded lower growth than did the trend estimate in the June quarter. Seasonally adjusted GDP(A) was up 0.9 per cent, due to increases of 0.7 per cent in GDP(I), 1.0 per cent in GDP(E) and 1.1 per cent in GDP(P). (In the remainder of this article, analysis is based on trend constant price estimates unless otherwise stated.)

MAIN INCOME AND EXPENDITURE-BASED NATIONAL ACCOUNTS AGGREGATES AT AVERAGE 1989-90 PRICES, JUNE QUARTER 1994

Percentage change in trend estimates

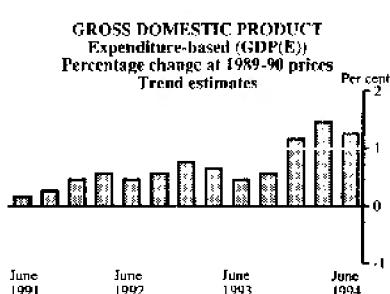
	From previous quarter	From corresponding quarter of previous year
Final consumption expenditure		
Private	0.8	3.9
Government	2.3	5.9
Gross fixed capital expenditure		
Private	2.3	5.7
Public	2.9	-1.0
Gross national expenditure	1.3	4.4
Exports of goods and services	2.3	10.1
Imports of goods and services	2.8	9.7
Gross domestic product (E)	1.3	4.6
Gross domestic product (I)	1.1	3.8

Income-based GDP — up 1.1 per cent

Expenditure-based GDP — up 1.3 per cent

The latest increase in trend estimates of GDP(E) featured:

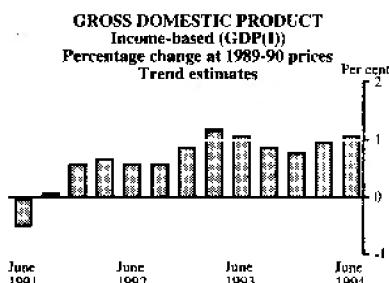
- growth in both private and government final consumption expenditure;
- the third quarter of growth in business investment (up 3.5% in the June quarter);
- public investment up 2.9 per cent; and
- a build-up in private non-farm stocks.



Private final consumption expenditure rose 0.8 per cent to be 3.9 per cent higher than in the June quarter 1993, reflecting growth over the year in all categories except 'cigarettes and tobacco' and 'other household durables'.

Total gross fixed capital expenditure rose 2.4 per cent in the June quarter 1994, following rises of 2.3 per cent for the private sector and 2.9 per cent for the public sector. The rate of growth in private dwelling construction slowed to 0.4 per cent, but private business investment was up 3.5 per cent, the third successive quarter of growth in this aggregate. Expenditure on non-dwelling construction was 3.0 per cent higher, while expenditure on equipment was up 3.7 per cent.

The increase of 2.9 per cent in public gross fixed capital expenditure was due to rises of 2.7 per cent for public enterprises and 3.2 per cent for general government.



Private non-farm stocks increased by \$460 million in the June quarter, reflecting large seasonally adjusted rises in this aggregate in the December quarter 1993 (\$570 million) and the June quarter 1994 (\$626 million). Exports of goods and services increased 2.3 per cent, while imports of goods and services rose 2.8 per cent in the June quarter.

The gross non-farm stocks to sales ratio, derived from trend data, fell from 0.879 in the March quarter to 0.876 in the June quarter. The trend imports to sales ratio fell marginally, from 0.243 last quarter to 0.242 in the June quarter.

Australia's terms of trade index increased from 87.8 in the March quarter to 88.3 in the June quarter (0.6%), following small rises in the previous two quarters. The implicit price deflator for imports of goods and services declined 1.9 per cent, while that for exports of goods and services declined 1.4 per cent.

Income components at current prices — trend

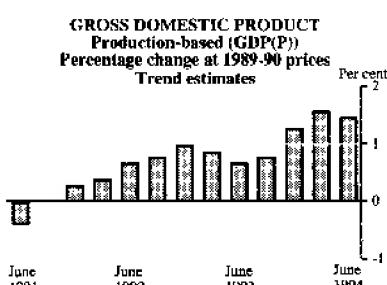
Wages, salaries and supplements rose 1.7 per cent in the June quarter 1994, reflecting a rise of 1.2 per cent in the number of wage and salary earners and a rise of 0.5 per cent in the underlying average earnings. Gross operating surplus of private corporate trading enterprises rose 1.4 per cent, following rises of 1.6 per cent and 1.8 per cent in the December and March quarters, respectively.

Production-based GDP — trend up by 1.5 per cent

The trend estimate of production-based gross domestic product, GDP(P), increased by 1.5 per cent in the June quarter 1994. GDP(P) has now recorded sustained growth since the December quarter 1991. Continuing the pattern over the past few quarters, growth in the June quarter was widespread — with all of the fourteen industry groups showing increases.

Details of the more noteworthy changes in industry trend estimates for the June quarter 1994 are:

- Agriculture, forestry, fishing and hunting increased by 0.8 per cent. This largely reflects an increase in the farm sector. *Continued ...*



- Mining rose 2.7 per cent to be 4.2 per cent higher than in the June quarter 1993.
- Manufacturing continued to grow, registering an increase of 1.3 per cent this quarter, the ninth increase in succession after a long period of decline. Since the June quarter of 1993 manufacturing has grown by 8.9 per cent.
- Construction increased by 1.2 per cent largely reflecting growth in private non-dwelling building and construction.
- Wholesale trade and retail trade recorded increases of 1.9 per cent and 1.5 per cent, respectively.
- Transport and storage rose by 2.2 per cent due to sustained growth in all sectors except sea transport.
- Communication increased this quarter by 2.0 per cent. Since the June quarter 1993 this industry has grown by 7.2 per cent.
- Recreation, personal and other services recorded a rise of 1.3 per cent. The entertainment and recreational services sector increased by 1.1 per cent while the restaurants, hotels, clubs and personal services sector increased by 1.4 per cent.

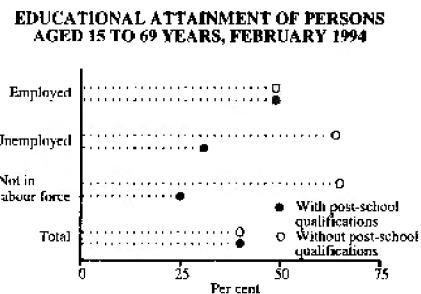
The trend estimate of labour productivity (constant price gross product per hour worked) in the market sector rose in the June quarter by 0.9 per cent. Since the June quarter 1993, labour productivity (in the market sector) has increased by 4.7 per cent.

GROSS PRODUCT, JUNE QUARTER 1994
Trend estimates at average 1989-90 prices

	Percentage change from		
	Gross product (\$ million)	Previous quarter	Corresponding quarter of previous year
Manufacturing	15 880	1.3	8.9
Community services	12 497	2.2	7.3
Finance property and business services	11 146	0.7	- 0.9
Retail	9 666	1.5	6.1
Wholesale	7 512	1.9	9.2
Construction	6 737	1.2	2.9
Transport and storage	4 976	2.2	5.8
Mining	4 450	2.7	4.2
Recreation, personal and other services	4 448	1.3	6.3
Agriculture, etc.	4 163	0.8	3.5
Public administration and defence	3 750	1.4	1.7
Electricity, gas and water	3 225	0.1	0.8
Communication	2 965	2.0	7.2
Other (ownership of dwellings, import duties, etc.)	9 039	1.9	6.8
<i>Gross domestic product (GDP(P))</i>	<i>100 454</i>	<i>1.5</i>	<i>5.4</i>

For further information, order the publication Australian National Accounts: National Income, Expenditure and Product (5206.0), or contact Jo Jackson on (06) 252 6708 concerning constant price expenditure estimates or Paul Curran on (06) 252 6801 concerning constant price industry estimates.

Link between qualifications and labour force participation rate



The latest annual survey of labour force status and educational attainment shows that, of the population aged 15 to 69 years in February 1994, there were 4,972,000 persons (40%) with post-school qualifications compared with 6,782,400 (55%) without post-school qualifications. The remaining five per cent were still at school.

Persons with post-school qualifications comprised 1,360,000 (27%) with a bachelor degree or higher, 382,600 (7.7%) with an under graduate diploma, 710,000 (14%) with an associate diploma, 1,731,400 (35%) with skilled vocational qualifications and 788,000 (16%) with basic vocational qualifications.

Forty five per cent of males aged 15 to 69 had post-school qualifications compared with 35 per cent of females. Within that total, however, a slightly higher proportion of women than men held bachelor or higher degrees, while men outnumbered women by more than three-to-one in the category of skilled vocational qualifications.

The survey also found that labour force participation rates varied widely according to the level of education attained. These rates for February 1994 were:

- 82 per cent for persons with post-school qualifications;
- 74 per cent for those persons without post-school qualifications who had completed the highest level of schooling available;
- 61 per cent for those persons without post-school qualifications who had not completed the highest level of schooling available; and
- 26 per cent for those who had never attended school (an estimated 34,600 people, or 0.3% of the age range, are in this category).



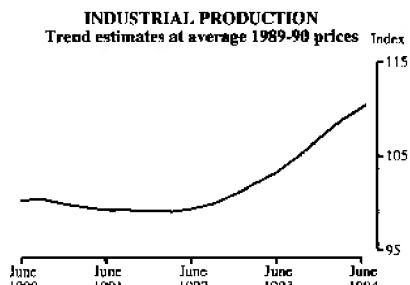
EDUCATIONAL ATTAINMENT OF PERSONS AGED 15 TO 69 YEARS, FEBRUARY 1994
(Per cent)

Age group (years)	With post-school qualifications	Without post-school qualifications
15 to 24(a)	23	56
25 to 34	49	51
35 to 44	50	50
45 to 54	46	54
55 to 69	33	67

(a) 21 per cent of this age group were still at school.

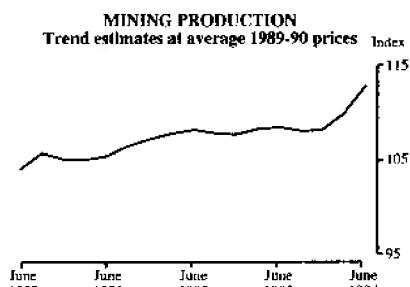
The unemployment rate among persons with post-school qualifications was 7.6 per cent, compared with a national unemployment rate of more than 10 per cent in February 1994. Of those that were unemployed, 33 per cent had been unemployed for one year or more.

Industrial production up strongly



The trend estimate of industrial production continued to grow to record levels in the June quarter 1994 with a ninth successive quarterly rise. The recovery from a fairly stagnant period since early 1989 is underpinned by pronounced growth in the manufacturing sector, while mining has also moved ahead strongly in the most recent two quarters.

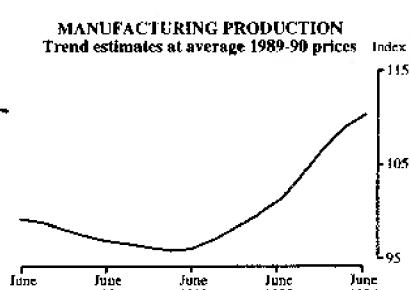
The industrial production trend grew by 1.4 per cent in the June quarter 1994, following growth of 1.8 per cent in each of the two preceding quarters, and 1.6 per cent in the September quarter 1993. It is now 6.8 per cent above the June quarter 1993 estimate.



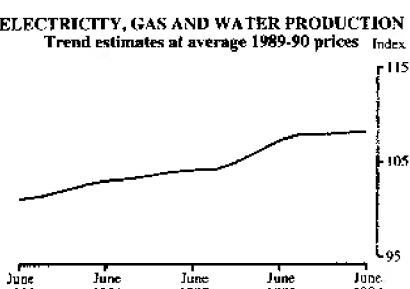
The 'industrial sector' covers mining, manufacturing, and utilities (electricity, gas and water), but is dominated by movements in the manufacturing industry.

INDUSTRIAL PRODUCTION AT AVERAGE 1989-90 PRICES Trend estimates, June quarter 1994 Percentage change

	From previous quarter	From corresponding quarter of previous year
Mining (excluding services to mining)	2.6	4.1
Manufacturing	1.3	9.0
Electricity, gas and water	0.1	0.7
<i>Total industrial production</i>	<i>1.4</i>	<i>6.8</i>



The trend in the index of manufacturing production grew in the June quarter 1994 for the ninth consecutive quarter. The recovery from the turning point in the March quarter 1992 is indicated by the generally strong upward movements in the manufacturing index over the last five quarters.



Within the manufacturing industry, growth in the trend of gross product over recent quarters has been shown by: textiles; clothing and footwear; wood, wood products and furniture; paper, printing and publishing; non-metallic mineral products; fabricated metal products; transport equipment; other machinery and equipment; and miscellaneous manufacturing. The trend in production has flattened in the latest quarter, following recent growth, for chemical, petroleum and coal products; and basic metal products. For food, beverages and tobacco the trend in production has fallen.

The trend in the index of mining production has grown by 2.6 per cent in the June quarter 1994. Utilities continued their recent trend of very weak growth in the last two quarters.

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- 8** The Labour Force, Australia, August 1994, Preliminary (6202.0; \$11.00)
- Building Activity, Australia: Dwelling Unit Commencements, June Quarter 1994, Preliminary (8750.0; \$11.00)**
- 12** Price Index of Materials Used in Building Other Than House Building, Six State Capital Cities and Canberra, July 1994 (6407.0; \$11.00)
- Price Index of Materials Used in House Building, Six State Capital Cities and Canberra, July 1994 (6408.0; \$8.50)
- 15** Australian National Accounts: State Accounts, June Quarter 1994 (5242.0; \$26.00)
- 16** Price Indexes of Articles Produced by Manufacturing Industry, Australia, July 1994 (6412.0; \$11.00)
- 19** Housing Finance for Owner Occupation, Australia, July 1994 (5609.0; \$11.00)
- Export Price Index, Australia, July 1994 (6405.0; \$8.50)

Selected releases: 31 August to 6 September

General

- NIF-10S Model Data Base Manual, June Qtr 1994 (1340.0; free)
- Australian Economic Indicators, September 1994 (1350.0; \$26.00)
- Monthly Summary of Statistics, NSW, August 1994 (1305.1; \$16.50)
- Economic Indicators, NSW, August 1994 (1307.1; \$5.50)
- Monthly Summary of Statistics, Qld, September 1994 (1304.3; \$10.00)
- South Australian Economic Indicators, September 1994 (1307.4; \$10.50)

Census of population and housing

- 1996 Census — Nature and Content of the Census, 1996 (2008.0; \$10.00)

Demography

- Overseas Arrivals and Departures, Aust., March Qtr 1994 (3402.0; \$14.50)

National accounts, Finance and Foreign trade

- Australian National Accounts: Quarterly Data on Floppy Disk, June Qtr 1994 (5228.0; \$130.00)
- Cash Management Trusts, Aust., July 1994 (5635.0; \$6.00)

Labour statistics and Prices

- Information Paper: Change in Format in the Monthly Publication of Price Index of Materials Used in Building Other Than House Building, Eight Capital Cities and Canberra, June 1994 (6407.0; free) — new issue
- Price Indexes of Copper Materials, Aust., August 1994 (6410.0; \$5.50)
- Price Indexes of Materials Used in Coal Mining, Aust., July 1994 (6415.0; \$11.00)

Manufacturing, Mining, Energy, Service industries, Building and construction

- Quarterly Indexes of Industrial Production, Aust., June Qtr 1994 (8125.0; \$11.00)
- Dwelling Unit Commencements Reported by Approving Authorities, Vic., June 1994 (8741.2; \$11.00)
- Dwelling Unit Commencements Reported by Approving Authorities, SA, June 1994 (8741.4; \$11.00)
- Tourist Accommodation, NT, June Qtr 1994 (8635.7; \$15.00)

Transport

- Interstate Road Freight Movement, Aust., June Qtr 1994 (9214.0; \$7.00)
- Motor Vehicle Registrations, Aust., July 1994 (9303.0; \$12.00)

The latest — consolidated to 6 September 1994

Key national indicators	Period	Units	Latest figure available		Percentage change (a) on	
			Original	Seasonally adjusted	Previous period	Corresponding period last year
National accounts						
Gross domestic product (GDP(A)) at 1989-90 prices	June qtr 94	\$m	99 058	100 666	0.9	4.3
International accounts						
Balance on current account (b)	July 94	\$m	- 1 926	- 1 841	- 21	- 62
Balance on merchandise trade (b)	"	"	- 470	- 476	-	-
Balance on goods and services (b)	"	"	- 724	- 565	-	-
Merchandise exports	"	"	5 388	5 217	- 3	- 2
Merchandise imports	"	"	- 5 858	- 5 693	3	9
Net foreign debt	June qtr 94	\$m	161 524	n.a.	- 1.9	- 4.3
Net foreign liabilities	"	"	232 698	n.a.	- 0.2	5.2
Consumption and investment						
Retail turnover at current prices	June 94	\$m	8 392	8 616	- 0.1	5.7
New capital expenditure at current prices	June qtr 94	"	7 284	6 994	7	11.0
New motor vehicle registrations	July 94	no.	51 928	52 028	- 0.2	18.2
Production						
Manufacturers' sales at 1989-90 prices	March qtr 94	\$m	35 184	37 572	2.3	9.9
Dwelling unit approvals	July 94	no.	15 312	15 338	- 5.1	1.5
Building approvals	"	\$m	2 151.8	2 298.7	- 17.2	9.2
Building work done at 1989-90 prices	March qtr 94	"	5 783	6 236	- 2.4	-
Prices						
Consumer price index	June qtr 94	1989-90 = 100.0	111.2	n.a.	0.7	1.7
Articles produced by manufacturing industry	June 94	1988-89 = 100.0	116.1	n.a.	0.3	0.7
Materials used in manufacturing industries	June 94	1984-85 = 100.0	124.0	n.a.	0.6	- 2.5
Labour force and demography						
Employed persons (d)	July 94	'000	7 985.0	7 972.2	1.1	4.0
Participation rate † (d)	"	%	63.0	63.2	0.3	0.8
Unemployment rate † (d)	"	"	9.1	9.5	- 0.6	- 1.3
Job vacancies	May qtr 93	'000	49.4	53.0	18.5	64.1
Average weekly overtime per employee	"	hours	1.31	1.33	7.5	11.1
Estimated resident population	December qtr 94	million	17.7	n.a.	0.2	1.0
Short-term overseas visitor arrivals	April 94	'000	255	271	- 10.6	12.1
Incomes						
Company profits before income tax	June qtr 94	\$m	5 410	6 115	2.5	33.9
Av. weekly earnings, full-time adults; ordinary time	May 94	\$	617.50	618.20	1.4	3.3
Financial markets						
Interest rates (c) (monthly average)	July 94	% per annum	5.40	n.a.	- 0.05	0.45
90-day bank bills †	July 94	"	9.55	n.a.	- 0.1	2.65
10-year Treasury bonds †	July 94	per \$A	0.7349	n.a.	0.2	8

(a) Based on seasonally adjusted figures where available. (b) For percentage changes, a minus sign indicates an increase in the deficit; no sign means a decrease in the deficit or an increase in the surplus. (c) Source: Reserve Bank of Australia. (d) Later figures expected to be released Thursday, 8 September 1994.
NOTES: † = change is shown in terms of percentage points. n.a. = not available.

Percentage change from same period previous year

Key State indicators	Period	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
New capital expenditure*	March qtr 94	- 4.3	8.6	30.1	- 14.6	- 16.2	- 41.0	n.a.	n.a.	0.2
Retail turnover (trend estimate)	June 94	7.1	5.1	6.7	3.8	5.9	4.7	n.a.	2.4	5.8
New motor vehicle registrations†	July 94	21.2	11.0	31.7	11.1	11.3	19.7	9.7	- 12.0	18.2
Number of dwelling unit approvals*	July 94	0.3	2.7	- 1.2	- 14.7	6.2	- 5.4	- 51.7	- 24.6	1.5
Value of total building work done	March qtr 94	- 8.2	5.6	4.6	0.7	20.6	4.6	20.3	- 4.7	1.4
Employed persons*	July 94	4.0	4.0	4.8	2.1	4.7	2.1	0.3	2.9	4.0
Capital city consumer price index	June qtr 94	1.5	1.7	1.6	1.9	2.2	2.7	2.2	1.5	1.7
Av. weekly earnings (full-time adult ordinary time)	May 94	3.9	3.6	2.6	1.8	3.0	3.2	1.2	2.6	3.5
Population	September qtr 93	0.9	0.3	2.8	0.5	1.3	0.4	0.9	1.6	1.0
Room nights in licensed hotels and motels, etc.	March qtr 94	7.3	5.4	6.3	5.4	9.5	3.9	16.6	1.5	6.7

* Seasonally adjusted except for NT and ACT. † Seasonally adjusted.

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